

EXHIBIT AZ

EXPERT REPORT OF DR. MATTHEW LEVITT

In re Terrorist Attacks on September 11, 2001, 03-md-1570 (GDB) (SN) - MDL 1570
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Washington Institute for Near East Policy, and Adjunct Professor at Georgetown University

I. SCOPE OF THIS EXPERT OPINION:

I have been asked by Plaintiff's lawyers to offer an expert opinion on the following:

- The founding and development of al Qaeda, its ideology and focus on targeting America and American interests;
- Al Qaeda's development as a terrorist group and militant organization through the establishment of alliances with other groups and cooption of local conflicts;
- Al Qaeda's radicalization, recruitment and funding modus operandi in the years leading up to the 9/11 attacks;
- Background on abuse of charity and religious tithing to finance terrorism;
- Al Qaeda's particular reliance in the years leading up to the 9/11 attacks on abuse of charity and nongovernmental organizations (NGOs)—including several based in Saudi-Arabia—for recruitment, logistics, and fundraising purposes.

II. SUMMARY EXPERT OPINION:

Based on my knowledge, experience, training and education, and drawing on my own extensive research, it is my expert opinion that:

- In the years leading up to the 9/11 terrorist attacks, Osama bin Laden founded and built up al Qaeda into a transnational terrorist group engaged in both militant and terrorist activities around the world.
- Key to al Qaeda's success was its ability to coopt local conflicts involving Muslim groups and to expand its influence through building alliances with other Muslim militant organizations.
- Through these efforts, al Qaeda was able to broaden its pool of potential recruits, radicalize people to the terrorist group's violent and transnational ideology and its particular focus on targeting the United States, raise funds, and conduct operations on a broad scale around the world.
- Critical to the success of al Qaeda, and for the 9/11 operation in particular, was the ability to raise, launder, place, transfer and access funds for al Qaeda's activities. From paying salaries, to bribing officials, to funding travel and training, to procuring weapons and much more, al Qaeda needed reliable funding streams to cover its significant expenses.

constituted a ready supply of manpower for terrorist operations. Two of the 9/11 hijackers followed this pattern.”²⁵

As Zachary Abuza noted in his book on al Qaeda’s networks in Southeast Asia, the region became a “major center for operations” for al Qaeda for several reasons. One of these was “the network of Islamic charities, the spread of poorly regulated Islamic banks, business-friendly environments, and economies that already had records of extensive money laundering.”²⁶

Similarly, Stig Jarle Hansen noted in his book on al-Shabaab in Somalia that “al-Shabaab is more than a product of insecurity; it is also a product of the export of al-Qaeda’s ideology into Somalia. The importance of international informal networks in this process should not be forgotten.” He continued, “It was a network of former Afghanistan veterans that established al-Shabaab, and the diffusion of ideas has gone through individuals with al-Qaeda connections.”²⁷

Barak Mendelsohn explained al Qaeda’s early decision to help Muslims struggling around the world by “carry[ing] the torch of jihad beyond the Afghan arena.” According to Mendelsohn, al Qaeda’s existence would “help overcome the inefficiencies involved in mobilizing mujahideen afresh for each new cause. With al-Qaeda, the umma [Muslim nation] would bear minimal start-up costs; it would have the infrastructure and core force to allow an efficient and quick reaction.”²⁸

In 1994, Khalid Sheikh Mohammad, who would later mastermind the 9/11 plot, travelled to the Philippines and planned to bomb twelve U.S.-bound civilian aircraft as they flew across the Pacific. Known as the “Bojinka” plot, the operation was thwarted when Mohammad’s co-conspirator and nephew, Ramzi Yousef, was arrested in Pakistan in February 1995. During his time in the Philippines, Mohammed reportedly received funding through Jamal Khalifa, bin Laden’s brother-in-law and head of the Manila office of the International Islamic Relief Organization (IIRO).²⁹ According to a 1996 CIA report, “The IIRO is affiliated with the Muslim World League, a major international organization largely financed by the government of Saudi

²⁵ “DCI Report: The Rise of UBL and Al-Qa’ida and the Intelligence Community Response,” Draft, CIA Analytic Report, March 19, 2004, available at National Security Archive <https://assets.documentcloud.org/documents/368992/2004-03-19-dci-report-the-rise-of-ubl-and-al.pdf>.

²⁶ Zachary Abuza, *Militant Islam in Southeast Asia: Crucible of Terror* (Boulder: Lynne Rienner, 2003), 10.

²⁷ Stig Jarle Hansen, *Al-Shabaab in Somalia: The History and Ideology of a Militant Islamist Group* (Oxford: Oxford University Press, 2016), 6.

²⁸ Barak Mendelsohn, *The Al-Qaeda Franchise: The Expansion of al-Qaeda and Its Consequences* (Oxford: Oxford University Press, 2016), 20.

²⁹ *The 9/11 Commission Report*, authorized edition (New York: Norton, 2004), 147-148, <http://www.9-11commission.gov/report/911Report.pdf>. See also Richard Miniter, *Mastermind: The Many Faces of the 9/11 Architect, Khalid Shaik Mohammed* (New York: Sentinel, 2011), 83-84; Steve Coll, *Ghost Wars* (New York: Penguin Books, 2004), 278-279.

A 2005 report by the Dutch General Intelligence and Security Service (AIVD) offers a good summary explanation of how these charities functioned as a part of Saudi government policy and as an extension of branches of the Saudi government:

The combination of charity and missionary activities for a long time marked the financing activities of the Saudi government. Within the Saudi government an important role was played by the Ministry for Islamic Affairs that via the Saudi diplomatic representations abroad made funds available to the Muslim communities residing in these countries. Often even more important in volume was the financial support from prominent Saudi private benefactors and large organisations, which since the 1960s and 1970s have undertaken worldwide charity and missionary activities (in itself, incidentally, a legitimate combination which also applies to many Western religiously inspired aid organisations). These institutions, such as the Muslim World League (also known as Rabita Trust), Al-Haramain, World Assembly of Muslim Youth (WAMY) and International Islamic Relief Organisation (IIRO), are officially known as ‘non-governmental organisations (NGOs), but in fact maintain close ties with parts of the Saudi establishment. Although to the outside world they strongly emphasise their strong humanitarian aims, these organisations are primarily focused on propagating the Salafist interpretation of Islam. They concentrate on setting up and supporting mosque centres with an orthodox persuasion, hiring, training and subsidising imams with a like persuasion, publishing and disseminating Salafist literature, et cetera.⁹⁵

It is important to note that the three Saudi charities examined below are not the only ones that have raised concerns of intelligence, law enforcement, and policy officials. Consider, for example, the Canada Revenue Agency’s (CRA) decision to revoke the charity registration of the World Assembly of Muslim Youth (WAMY) in Canada. The CRA found that WAMY provided thousands of dollars to U.N.-sanctioned Benevolence International Foundation (BIF), an entity on the U.N.’s list of entities tied to al Qaeda. CRA found that the WAMY office in Saudi Arabia “maintains substantial control over WAMY’s finances [in Canada], and uses this control to carry out its own objectives in Canada.” The CRA report went on to lists examples of “adverse reporting on WAMY and its affiliates,” linking the groups to terrorist organizations.⁹⁶

According to the 9/11 Commission Report, WAMY operated under the official Saudi government oversight, regulated by the Ministry of Islamic Affairs.⁹⁷

a. The Muslim World League (MWL)

⁹⁵ “Saudi Influences in the Netherlands: Links between the Salafist Mission, Radicalisation Processes and Islamic Terrorism,” General Intelligence and Security Service, Ministry of Interior and Kingdom Relations, June 1, 2005, <https://english.aivd.nl/publications/publications/2005/01/06/saudi-influences-in-the-netherlands>.

⁹⁶ “Notice of Intention to Revoke the World Assembly of Muslim Youth,” Letter from Canada Revenue Agency to Mr. Ayman Al-Taher, Canada Revenue Agency, January 5, 2012, https://www.canadiancharitylaw.ca/uploads/World_Assembly_of_Muslim_Youth.pdf.

⁹⁷ *The 9/11 Commission Report*, authorized edition (New York: Norton, 2004), 372, <http://www.9-11commission.gov/report/911Report.pdf>.

al-Qa'ida.”¹³⁴ In a report suggesting the listing of the IIRO, the monitoring group furthered, “Evidence produced recently in a Canadian court linked IIRO funding directly to Al-Jihad, a designated entity tied closely to al-Qaida and responsible for the bombing in 1998 of the American Embassies in Dar es Salaam and Nairobi.”¹³⁵ A declassified CIA report also indicated that IIRO funds directly supported six al Qaeda training camps in Afghanistan prior to 9/11.¹³⁶ After that date, Pakistan also identified and expelled some two dozen al-Qaida supporters who had been working for the IIRO-sponsored organizations in Pakistan.”¹³⁷ Information released by the U.S. Treasury Department supports this finding. According to Treasury, in 2002, an IIRO office financed the establishment of training facilities that were used by al Qaeda associates.¹³⁸ On August 3, 2006, Stuart Levey, former Under Secretary for Terrorism and Financial Intelligence at Treasury, stated in the press release for the designation of the IIRO Philippines and Indonesia offices: “We have long been concerned about these IIRO offices; we are now taking public action to sever this link in the al Qaida network’s funding chain.”¹³⁹

The IIRO has provided extensive support to Jemaah Islamiyya, the militant Southeast Asian organization tied to al Qaeda. According to U.S. Treasury Department, Abd Al Hamid Sulaiman Al-Mujil, Executive Director of an IIRO office who was named a specially designated individual, invited a Philippines-based JI supporter to travel to Saudi Arabia in 2004. This supporter used the guise of undertaking the hajj pilgrimage for his travel, and al-Mujil planned for him to carry cash back to the JI in the Philippines.¹⁴⁰ Treasury also revealed that an IIRO office supported JI by providing assistance with recruitment of members, transportation and logistics, and provided a safe-haven.¹⁴¹ According to Southeast Asia expert and professor at Simmons College Zachary Abuza, “[A local charity organization called KOMPAK] immediately partnered with the Saudi IIRO.” He further stated, “[KOMPAK’s] aid won support for Jemaah Islamiyah and its paramilitary organizations such as Laskar Jundallah and Lskar Mujahidin.”

¹³⁴ Excerpt of UN Al Qaeda and Taliban Monitoring Group Report, December 3, 2003, reprinted in “UN Al Qaida Monitoring Group Recommended UN listing of IIRO in December 2003,” Victor Comras, August 3, 2006.

¹³⁵ Excerpt of UN Al Qaeda and Taliban Monitoring Group Report, December 3, 2003, reprinted in “UN Al Qaida Monitoring Group Recommended UN listing of IIRO in December 2003,” Victor Comras, August 3, 2006.

¹³⁶ Unclassified 1996 CIA document, marked Fed-PEC0214474. See also Glenn Simpson, “U.S. Officials Knew of Ties Between Terror, Charities,” *Wall Street Journal*, May 9, 2003, <https://www.wsj.com/articles/SB10524385762417300>; David E. Kaplan, “How billions in oil money spawned a global terror network,” *US News and World Report*, December 7, 2003.

¹³⁷ Excerpt of UN Al Qaeda and Taliban Monitoring Group Report, December 3, 2003, reprinted in “UN Al Qaida Monitoring Group Recommended UN listing of IIRO in December 2003,” Victor Comras, August 3, 2006.

¹³⁸ “Treasury Designated Director, Branches of Charity Bankrolling Al Qaida Network,” U.S. Department of the Treasury, August 3, 2006, <https://www.treasury.gov/press-center/press-releases/Pages/hp45.aspx>.

¹³⁹ “Treasury Designated Director, Branches of Charity Bankrolling Al Qaida Network,” U.S. Department of the Treasury, August 3, 2006, <https://www.treasury.gov/press-center/press-releases/Pages/hp45.aspx>.

¹⁴⁰ “Treasury Designated Director, Branches of Charity Bankrolling Al Qaida Network,” U.S. Department of the Treasury, August 3, 2006, <https://www.treasury.gov/press-center/press-releases/Pages/hp45.aspx>.

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